

CHUAN HUP HOLDINGS LIMITED

(Co. Reg. No. 197000572R)
(Incorporated in the Republic of Singapore)

MINUTES OF THE 52nd ANNUAL GENERAL MEETING OF CHUAN HUP HOLDINGS LIMITED (THE “COMPANY”) CONVENED AND HELD BY ELECTRONIC MEANS ON 28 OCTOBER 2022 AT 10.30 A.M.

1. Introduction

- 1.1 Mr Lo Pang Foo Steven, Chairman of the Annual General Meeting (“Chairman”), welcomed the shareholders to the 52nd Annual General Meeting (“AGM” or “Meeting”). He noted that the Company Secretary had confirmed that a quorum was present and declared the Meeting open.
- 1.2 The Chairman informed that the Board of Directors had hoped to meet the shareholders in person during this annual event. However, due to the COVID-19 situation in Singapore and to keep physical interactions and COVID-19 transmission risk to a minimum, shareholders were able to attend the Meeting only via live audio-visual webcast or live audio-only stream. He thanked shareholders for their understanding and welcomed their virtual participation. He informed that shareholders who accessed the Meeting electronically would be treated as present and may be named in the attendance list.
- 1.3 The Chairman proceeded to introduce the Board members in attendance in person and via webcast - Mr Peh Siong Woon Terence, Chief Executive Officer and Executive Director, Ms Heng Su-Ling Mae, Non-Executive, Independent Director, Mr Peh Kwee Chim, Executive Director, and Mr Lim Kwee Siah, Non-Executive Director. The Chairman also introduced the Chief Operating Officer, Mr Eldon Wan, the Chief Financial Officer and Company Secretary, Ms Anne Liew Mei Hong, and Ernst & Young LLP’s representatives, Mr Tan Seng Choon and Ms Li Wen Yeow.
- 1.4 The Notice of AGM dated 6 October 2022 (“AGM Notice”) convening the Meeting, which had been issued and published on SGXNet and the Company’s website, was taken as read.
- 1.5 The Chairman informed that he had accepted the appointment as proxy for some Shareholders and would vote in accordance with the Shareholders’ specified instructions on each resolution. The votes indicated in the proxy forms submitted 72 hours before the AGM had been checked and verified by Samas Management Consultants Pte Ltd, the Scrutineer.
- 1.6 The Chairman added that voting would be conducted by poll. Shareholders and appointed proxies who had accessed the AGM proceedings via the audio-visual webcast may cast their votes “live” at the AGM.
- 1.7 A short video explaining the submission of textual questions and the voting process was played.
- 1.8 The Chairman declared that the live voting function open for members to cast their votes. He encouraged members to cast their votes after the motions had been introduced and questions addressed. The Chairman also informed that the results of the polls for each resolution would be shown before the end of the AGM.
- 1.9 The Chairman informed that the Company has announced via SGXNET on 6 October 2022 that Shareholders may submit questions relating to the business of the AGM by 18 October 2022. The Company would address the questions from Shareholders during the Q&A session of the AGM.

2. ORDINARY BUSINESS

The Chairman proceeded with the business of the Meeting.

2.1 Ordinary Resolution 1: Adoption of Directors' Statement and Audited Financial Statements and Auditor's Report

2.1.1 The Chairman proposed that the Directors' Statement and Audited Financial Statements for the financial year ended 30 June 2022 and the Auditor's Report thereon be hereby received and adopted.

2.2 Ordinary Resolution 2: Declaration of a final tax exempt one-tier dividend of 1 SG cent per ordinary share for the financial year ended 30 June 2022

2.2.1 The Chairman proposed that a final tax exempt one-tier dividend of 1 SG cent per ordinary share for the financial year ended 30 June 2022 be declared.

2.2.2 As Ordinary Resolution 3 concerned the re-election of the Chairman, Mr Lo Pang Foo Steven, as Director, the Chairman handed the conduct of the Meeting to Mr Peh Siong Woon Terence, Chief Executive Officer and Executive Director.

2.3 Ordinary Resolution 3: Re-election of Mr Lo Pang Foo Steven as Director of the Company

2.3.1 Mr Peh Siong Siong Terence proposed that Mr Lo Pang Foo Steven who is retiring under Regulation 85 of the Company's Constitution and who, being eligible, offers himself for re-election.

2.3.2 Mr Peh informed that Mr Lo would upon re-election, continue to serve as Chairman of the Board, Chairman of the Remuneration and Nominating Committees and a member of the Audit Committee. Mr Lo is considered an independent director.

2.3.3 The conduct of the Meeting was returned to Mr Lo Pang Foo Steven, the Chairman.

2.4 Ordinary Resolution 4: Re-election of Mr Lim Kwee Siah as Director of the Company

2.4.1 The Chairman proposed that Mr Lim Kwee Siah who is retiring by rotation under Regulation 85 of the Company's Constitution and who, being eligible, offers himself for re-election.

2.4.2 The Chairman informed that Mr Lim would upon re-election continue to serve as a member of Audit and Remuneration Committees. Mr Lim is considered a non-independent director.

2.4.3 As Ordinary Resolution 5 concerned the approval of Non-Executive Directors' fees, Mr Lo Pang Foo Steven handed the conduct of the Meeting to Mr Peh Siong Woon Terence, Chief Executive Officer and Executive Director.

2.5 Ordinary Resolution 5: Approval of Non-Executive Directors' fees

2.5.1 Mr Peh Siong Siong Terence proposed that the sum of SGD180,000 to be paid to Non-Executive Directors as Directors' fees for the financial year ended 30 June 2022. He informed that the fees for FY2021 were SGD180,000.

2.5.2 The conduct of the Meeting was returned to Mr Lo Pang Foo Steven, the Chairman.

2.6 Ordinary Resolution 6: Re-appointment of Ernst & Young LLP as Auditor of the Company and authority for Directors to fix their remuneration

2.6.1 The Chairman proposed that Ernst & Young LLP be re-appointed as Auditor of the Company and the Directors be authorised to fix their remuneration.

SPECIAL BUSINESS

2.7 Ordinary Resolution 7: Issue of Additional Shares and Convertible Instruments

2.7.1 Ordinary Resolution 7 concerns a new share issue mandate to be given to the Directors to issue shares in the capital of the Company (whether by way of rights, bonus or otherwise) or to issue instruments convertible into shares, so long as the aggregate number of shares to be issued under the Mandate does not exceed 50% of the issued share capital of the Company, and a sub-limit of 20% of the issued share capital if the issue of shares is not on a pro-rata basis to shareholders. The Chairman proposed Ordinary Resolution 7 as set out in AGM Notice.

2.8 Ordinary Resolution 8: Approval of the Proposed Renewal of the Share Buy Back Mandate

2.8.1 Ordinary Resolution 8 concerned the renewal of the Share Buy Back Mandate of the Company. The Chairman highlighted that the details of and the rationale for the proposed renewal of the Share Buy Back Mandate are set out in the Appendix to the Notice of AGM dated 6 October 2022. The Chairman proposed Ordinary Resolution 8 as set out in AGM Notice.

3. Q&A Session

3.1 As all Resolutions had been proposed, the Chairman invited Shareholders to submit textual questions via the audio-visual webcast platform.

3.2 A copy of the responses to questions submitted by Shareholders in advance of the AGM is annexed to these minutes and marked as "Annexure A".

3.3 The Chairman informed that there was no question received from Shareholders during the virtual AGM and declared the submission of questions via text closed.

4. Polling/Voting

4.1 The Chairman informed Shareholders that all the resolutions have been duly tabled and explained, as such, the resolutions were put to the vote by poll. Shareholders and the appointed proxies were given a further one minute to finalise the cast of their votes.

4.2 At the end of the voting period, Chairman declared the voting closed.

4.3 Based on the results of the poll as shown in the table below, Chairman declared all Resolutions carried.

| Resolution number and details | Total Number of Valid Votes Cast | For | | Against | |
|---|----------------------------------|------------------|---------|------------------|-------|
| | | Number of Shares | % | Number of Shares | % |
| ORDINARY BUSINESS | | | | | |
| Ordinary Resolution 1 Adoption of Directors' Statement and Audited Financial Statements and Auditor's Report | 536,410,390 | 536,397,390 | 100.00% | 13,000 | 0.00% |
| Ordinary Resolution 2 Declaration of Final Dividend | 536,410,390 | 536,397,390 | 100.00% | 13,000 | 0.00% |
| Ordinary Resolution 3 Re-election of Mr Lo Pang Foo Steven as Director | 536,402,890 | 516,281,590 | 96.25% | 20,121,300 | 3.75% |
| Ordinary Resolution 4 Re-election of Mr Lim Kwee Siah as Director | 536,172,890 | 516,051,590 | 96.25% | 20,121,300 | 3.75% |
| Ordinary Resolution 5 Approval of Directors' Fees | 536,172,890 | 536,139,890 | 99.99% | 33,000 | 0.01% |
| Ordinary Resolution 6 Re-appointment of Ernst & Young LLP as Auditor | 536,410,390 | 536,367,390 | 100.00% | 13,000 | 0.00% |
| SPECIAL BUSINESS | | | | | |
| Ordinary Resolution 7 Issue of additional shares and convertible instruments | 536,402,890 | 526,205,590 | 98.10% | 10,197,300 | 1.90% |
| Ordinary Resolution 8 Approval of the Proposed Renewal of the Share Buy Back Mandate | 536,410,390 | 536,397,390 | 100.00% | 13,000 | 0.00% |

5. Conclusion of Meeting

5.1 There being no other business, the Chairman informed that the formal business of the Meeting had concluded and declared the AGM closed. Chairman thanked the shareholders and proxies for their attendance. The AGM ended at 11.00 a.m.

Approved by

Lo Pang Foo Steven
Chairman

**Questions from Shareholders for
Chuan Hup Holdings Limited’s 52nd AGM on
28 October 2022 at 10.30 a.m.**

Question 1

- (i) What are the occupancy rates and the average passing rents of the office units in GB Building and The Central?**

Company’s Response

The occupancy rate is 100% for both GB Building and The Central. The average rent rate of the office units is S\$6.27/psf for GB Building and S\$8.54/psf for The Central.

The decrease in rental income for the year was because one of the units in GB Building was vacant for 10 months. This unit was subsequently rented out.

- (ii) Given the current economic situation (including rising interest rates), what are the management’s plans for its investment portfolio?**

Company’s Response

The acquisition of the Group’s current investment property portfolio was not funded by bank loans, so an increase in rising interest rates is unlikely to affect its existing investment property portfolio. While interest rates are on the rise, the Group will continue to monitor and capitalise on any opportunities that arises.

- (iii) Can management help shareholders better understand the status of the proposed collective sale? What is the level of involvement by management in the proposed collective sale?**

Company’s Response

The Collective Sale involving GB Building will not be proceeding as the Collective Sales committee couldn’t get the required level of consent from unit owners of GB Building. The Group’s management was not part of the Collective Sales Committee and was not involved in managing the collective sale process. The Company was merely a participant of the proposed collective sale.

- (iv) Can the board/management let shareholders better understand the group’s goals and priorities in Australia over the next 12-18 months? How will the volatile foreign exchange rates, the rising interest rates and the fear of a recession affect the group’s progress in Australia?**

Company’s Response

The Group is currently focused on managing and completing its current development projects in Australia in collaboration with Finbar and Siera Group. It should be noted that the Group’s investment in these development projects were mainly driven by local market demand. The Group will continue to exercise prudence and caution when evaluating opportunities and will capitalise on any good opportunities as and when they arise.

Question 2.

- (i) **What is the investment mandate for the group's investment securities? It is observed that the dividend yield of the investment securities appears to be on the low side (FY2022: US\$305,000; FY2021: US\$421,000) relative to the size of the portfolio (FY2022: US\$11.74 million; FY2021: US\$17.34 million). Is the portfolio relatively speculative in nature?**

Company's Response

The Group invests into equities that fit into the Group's risk and targeted return profile. The Group's excess funds are placed in investment securities which have better yields than fixed deposit, considering the investment's capital appreciation and dividend yield.

- (ii) **What are the underlying securities in the group's portfolio? Who is managing the portfolio?**

Company's Response

The Group's underlying securities are managed by external fund managers which are given guidelines on expected risk and return on the investment portfolio.

- (iii) **What are the 3-year and 5-year returns of the group's equity investments?**

Company's Response

The average 3-year and 5-year return of the group's quoted investment was 14.4% and 6.7% respectively.

The average 3-year and 5-year return of the group's private portfolio investments was 23.5% and 16.7% respectively.

These returns were computed using returns generated through dividend and gain/(loss) on disposal of such investments, over the historical costs of such equity investments as at balance sheet date.

- (iv) **Can management help shareholders better understand how the fair value loss of USD 5.71 million was calculated?**

Company's Response

USD5.71 million is the variance of current financial year's fair value loss of investment securities of USD3.37 million, as opposed to a fair value gain of USD2.33 million in the previous financial year.

- (v) **Has the board considered doing a capital reduction to return excess capital to shareholders so that they can make their own investments and capital allocation decisions?**

Company's Response

The Board intends to preserve the current capital for future investments and will capitalise on potential investment opportunities with the objective of developing robust, resilient, and sustainable earnings streams for shareholders over the longer term.

Question 3

(i) What were the scope and the key findings of the internal audit?

Company's Response

The internal audit covers key business processes within the Group, listed as below:

1. Financial Reporting,
2. Fixed Asset Management,
3. Cash and Bank Management,
4. Human Resource, and Payroll,
5. IT General Controls,
6. Interested Person Transactions,
7. Procurement and Payments,
8. Revenue and Credit Control,
9. Investment Management, and
10. General Controls.

There were no key findings flagged with “medium” or “high” risk rating in past 2 years’ internal audit.

(ii) How was the scope of the internal audit plan determined? What is the length of the internal audit cycle?

Company's Response

The internal audit scope covers key business processes as mentioned in Q3 (i), to determine the extent that internal controls have been designed effectively to address key risks and are operating effectively. The internal audit covers all the key business processes over a 2-year audit cycle.

(iii) Were all the material entities, including the associates namely Finbar Group Limited and Keyland Ayala Properties Inc (carrying amount of US\$55.1 million) and the joint ventures (valued at US\$44.7 million), included in the internal audit? If not, how does the board assess the adequacy and effectiveness of the internal controls in addressing financial, operational, compliance and information technology risks of the associates and of the joint ventures?

Company's Response

The internal audit did not cover the associates and joint ventures’ entities as they are not controlled by Group.

The Group has nominee directors which sit on the board of Finbar Group Limited and Keyland Ayala Properties Inc. The Directors are provided with Board papers and related materials, background, or explanatory information in advance of each Board Meeting to enable them to be properly informed of matters to be discussed and/or approved, as well as ongoing reports relating to operational and financial performance of the associates. In addition, management attends monthly meetings with the respectively joint venture partners to keep themselves abreast of the progress of development projects and business operations of the joint ventures. The management will also provide regular updates on its’ Joint Ventures project to the Board during the quarterly board meeting.